

STATE OF SOUTH CAROLINA**(Caption of Case)****Election of Piedmont Natural Gas Company, Inc.
for Application of the Natural Gas Rate Stabilization
Act to its Rates and Charges****BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA****COVER SHEET****DOCKET****NUMBER: 2005 - 125 - G**

(Please type or print)

Submitted by: Scott Tyler**SC Bar Number:** 12037**Address:** Moore & Van Allen**Telephone:** 704-331-2463100 N. Tryon Street, Suite 4700**Fax:** 704-378-1963Charlotte, NC 28202-4003**Other:** _____**Email:** scotttyler@mvalaw.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ **Emergency Relief demanded in petition** ☐ **Request for item to be placed on Commission's Agenda expeditiously**
- ☒ **Other: Quarterly Monitoring Report for the twelve-month period ending December 31, 2007**

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificatio
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input checked="" type="checkbox"/> Report	



**Piedmont
Natural Gas**

March 17, 2008

VIA OVERNIGHT DELIVERY

Mr. Charles Terreni
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Mr. Terreni:

Re: Filing of Quarterly Monitoring Report by Piedmont Natural Gas Company, Inc.
Pursuant to S.C. Code §58-5-430 Docket No. 2005-125-G

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act, enclosed is the quarterly monitoring report for the twelve-month period ending December 31, 2007, for Piedmont Natural Gas Company, Inc. Please accept the original and 25 copies for filing.

If you have any questions about this filing, you may reach me at 704-731-4560 or David Carpenter at 704-731-4242.

Sincerely,

Jenny Furr
Manager – Regulatory Reporting

Enclosures

c: ORS – Carey Flynt (5 copies via overnight delivery)
Scott Elliott
James H. Jeffries IV

CERTIFICATION

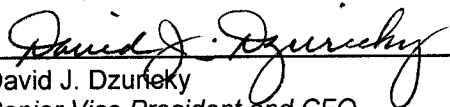
I, Thomas E. Skains and David J. Dzuricky, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Thomas E. Skains
President and CEO

3/14/08

Date Signed



David J. Dzuricky
Senior Vice President and CFO

3/14/08

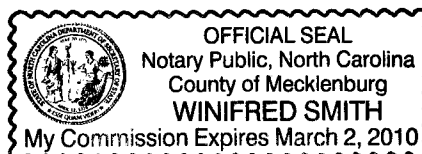
Date Signed

Subscribed and Sworn to before me this

14th day of March, 2008.



Notary Public



My Commission Expires 3/2/2010.

Docket No. 2005-125-G

Net Operating Income and Rate of Return

For The Twelve Months Ended December 31, 2007

South Carolina

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	(1)	(2)	(3)
	Per Filing	Accounting And Pro Forma Adjustments	After Pro Forma Adjustments
Operating Revenues			
Sale of Gas	\$ 192,937,984	\$ 27,051,165	\$ 219,989,149
Other Operating Revenues	993,384	-	993,384
	=====	=====	=====
Total Operating Revenue	\$ 193,931,368	\$ 27,051,165	\$ 220,982,533
	=====	=====	=====
Operating Expenses			
Cost of Gas	\$ 118,548,694	\$ 25,626,810	\$ 144,175,504
Other Operation & Maintenance	29,825,905	354,575	30,180,480
Depreciation	11,456,010	228,823	11,684,833
General Taxes	5,679,294	628,553	6,307,846
State Income Taxes	660,987	395,851	1,056,838
Federal Income Taxes	7,038,282	(33,573)	7,004,709
Amort. of ITC	(59,558)	-	(59,558)
	=====	=====	=====
Total Operating Expenses	\$ 173,149,613	\$ 27,201,039	\$ 200,350,652
	=====	=====	=====
Net Operating Income	\$ 20,781,754	\$ (149,874)	\$ 20,631,881
	=====	=====	=====
Interest on Customer Deposits	(128,089)	-	(128,089)
Amortization of Debt Redemption Premium	(14,539)	(189)	(14,728)
AFDUC	231,375		231,375
Customer Growth	127,208	(54)	\$127,154
	=====	=====	=====
Net Operating Income For Return	\$ 20,997,710	\$ (150,117)	\$ 20,847,593
	=====	=====	=====
Original Cost Rate Base			
Plant in Service	\$ 371,279,765		\$ 371,279,765
Accumulated Depreciation	(137,450,838)		(137,450,838)
	=====	=====	=====
Net Plant in Service	\$ 233,828,927	\$ -	\$ 233,828,927
Add:			
Construction Work in Progress	4,598,026		4,598,026
Materials and Supplies	23,509,868		23,509,868
Cash Working Capital	2,454,816	44,322	2,499,138
Deduct:			
Customer Advances for Construction	3,599		3,599
Customer Deposits	3,942,347		3,942,347
Accumulated Deferred Income Taxes	35,171,838		35,171,838
Unclaimed Funds	370,693		370,693
	=====	=====	=====
Total Original Cost Rate Base	\$ 224,903,161	\$ 44,322	\$ 224,947,483
	=====	=====	=====
Return on rate base	9.34%		9.27%
	=====		=====

Docket No. 2005-125-G

Net Operating Income and Rate of Return
For The Twelve Months Ended December 31, 2007
South Carolina
Page 2 of 2

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	After Accounting and Proforma Adjustments							
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Capitalization	Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	\$ 835,213,451	0	\$ 835,213,451	48.79%	\$ 109,746,444	6.91%	3.37%	\$ 7,585,674
2. Common Equity	876,725,052	0	876,725,052	51.21%	115,201,039	11.51%	5.90%	13,261,919
3. Total	\$ 1,711,938,503	0	\$ 1,711,938,503	100.00%	\$ 224,947,483		9.27%	\$ 20,847,593
	=====	=====	=====	=====	=====		=====	=====